

EXHIBIT A

Hearing Date and Time: March 21, 2007 at 10:00 a.m.

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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	:		
In re	:		Chapter 11
	:		
DELPHI CORPORATION, <u>et al.</u> ,	:		Case No. 05-44481 (RDD)
	:		
	:		(Jointly Administered)
Debtors.	:		
-----	-	x	

DECLARATION OF NANCY MILLS IN SUPPORT OF DEBTORS' SUPPLEMENTAL
REPLY WITH RESPECT TO PROOF OF CLAIM NO. 12163 (EVA ORLIK)

("MILLS DECLARATION ")

Nancy Mills declares as follows:

1. I submit this declaration in support of the Debtors' Supplemental Reply

With Respect To Proof Of Claim 12163 (Eva Orlik) (the "Supplemental Reply"). Capitalized

terms not otherwise defined in this declaration have the meanings ascribed to them in the Supplemental Reply.

2. I received a B.S. in accounting from Indiana University. I worked for General Motors ("GM") starting in 1979, and I have been employed at all times by Delphi since it commenced its existence as a separate entity in 1999. Between May 1998 and June 2001, I was the Divisional Internal Control Manager for Delphi Automotive Systems Corporation, Delphi Delco Electronics in Kokomo, Indiana. My current title is Finance Manager.

3. Except as otherwise indicated, all facts set forth in this declaration are based upon my personal knowledge, my review of relevant documents, my opinion, and my experience with and knowledge of Eva Orlik's ("Orlik") employment at Delphi. If I were called upon to testify, I could and would testify to the facts set forth herein.

4. Orlik began working as an analyst in Delphi's finance area on or about October 11, 1994. In late 1997, Delphi assigned Orlik to an Internal Auditor position. I became Orlik's supervisor in May 1998. When I entered the department, I had the opportunity to sit in on Orlik's performance evaluation with my predecessor, Max McNeal. Orlik had specifically requested this off-cycle review because she had not received a merit increase to her salary, and she wanted to know why. During the evaluation, McNeal explained Orlik's deficiencies during the previous evaluation period, which included poor communication skills. Orlik made no mention of any harassment or disparate treatment based on her national origin during this review.

5. From the beginning of my time as Orlik's supervisor, she was repeatedly late in turning in assignments to me. I also noted that on many occasions she had trouble communicating concisely and effectively with co-workers and with me. These were ongoing problems throughout the second half of 1998 and the beginning of 1999.

6. In May 1998, when I arrived in the internal audit department, the department members occupied two adjoining offices. As our staff fluctuated between three and four people, Orlik was sometimes working in an office by herself. My decisions on where to place people were based on an effort to place the most junior people in an office with the most senior person so that the senior person could answer questions and guide the junior person.

7. On or about February 5, 1999, I completed the final phase of Orlik's 1999 performance evaluation ("PDP"). A true and accurate copy of the PDP is attached as Exhibit A. The PDP rated Orlik's performance as unsatisfactory, particularly in the areas of oral and written communication skills and her ability to prioritize and balance multiple tasks.

8. I presented the PDP to Orlik sometime between February 5, 1999, and February 22, 1999. On or about February 22, 1999, Orlik submitted a detailed written response to her final performance review. The response did not address communication skills or the ability to prioritize and balance multiple tasks, except to state in the final paragraph:

I accept the remaining criticism expressed in my performance review although I was not aware of the seriousness of the problem or the scrutiny of my areas for improvement until the conversation with Nancy Mills on February 11 [1999]. I will maintain a positive attitude and strive to improve my performance. If despite my continuous efforts my performance will still be deemed unsatisfactory, I am asking to be allowed to continue my employment with Delphi-D until October 10, 1999, when I will become vested in the employee retirement benefit program.

9. Orlik's response to her 1998 PDP did not mention national origin discrimination. I never heard any employee make ethnic jokes or inappropriate ethnically-oriented comments to Orlik. Orlik never complained to me about such jokes or comments. Indeed, Orlik never raised the issue of national origin discrimination or national origin harassment with me or, to the best of my knowledge, with any member of Delphi's human

resources staff or Delphi management at any time between 1994 and the time that she filed her charge of discrimination with the EEOC on or about August 24, 1999.

10. In late February 1999, I worked with Greg Morgan, a human resources representative, to develop a Performance Improvement Plan ("PIP") for Orlik because of her performance deficiencies. A true and accurate copy of Orlik's PIP is attached as Exhibit B.

11. Placement on a PIP is Delphi's normal response to an unsatisfactory performance review. The purposes of a PIP are (1) to ensure that the employee is fully aware of her performance deficiencies and the specific required performance levels she needs to reach, and (2) to create a timetable for the employee to improve her performance.

12. Normally, if an employee fails to meet the goals set forth in a PIP, Delphi will terminate his or her employment. Morgan and I communicated this fact to Orlik when we originally presented the PIP to her on February 24, 1999. Orlik's PIP was scheduled to conclude on July 1, 1999.

13. Orlik's PIP identified four areas of performance deficiency: (1) ineffective written and oral communication; (2) inability to prioritize and balance multiple tasks; (3) misses assignment deadlines frequently; and (4) ineffective interpersonal relationships. The plan included the behavior or results desired with regard to each problem, and the steps that management and Orlik would take to solve each problem. During the PIP process, I met regularly with Orlik and Morgan to discuss Orlik's progress.

14. As part of the PIP, I required Orlik to maintain a task prioritization list of the daily tasks she performed. I had used such lists myself in the past, and I hoped they would allow both Orlik and me to become better aware of how Orlik was spending her time. The goal was to help Orlik spend her time more efficiently and prioritize more effectively. Orlik

maintained the lists in Excel. The lists included information such as dates, tasks performed, time spent performing the tasks, and other task progress information. A true and accurate copy of a representative task prioritization list that Orlik prepared is attached as Exhibit C. Orlik periodically turned the lists into me. I reviewed them and made suggestions for improvement to Orlik.

15. We also encouraged Orlik to attend professional development courses offered at Delphi. Delphi prepares a curriculum of coursework to address various skills and areas in which employees often need training or improvement. Orlik attended a time management course called "Getting Organized: How To Accomplish More With Less." This course was intended to provide her additional skills and tactics to address her need to effectively prioritize and complete her assignments.

16. One of the action steps we, as management, agreed to take to help Orlik correct the performance deficiency of ineffective oral and written communication was to enroll her in a class that taught effective communication skills. My primary concerns in this area were that Orlik's oral and written communications were often neither concise nor conveyed in an appropriate tone. When speaking, Orlik tended to be very loud; she frequently repeated herself; and her tone tended to be curt. I wanted Orlik to attend a class that focused on these types of communication problems.

17. Because Orlik was studying for the CPA exam, I understood that she was unavailable at the times that in-house communication training classes were offered. Accordingly, in order to accommodate Orlik's tight schedule, Morgan and I referred Orlik to classes offered by a professor at Indiana University-Kokomo, which Orlik could attend during her lunch hour. Before the classes started, I talked with a member of the IU Kokomo staff about

the nature of my specific concerns with Orlik's communications. I understood that the textbook used in the class was, "How to Win Friends and Influence People."

18. I did not know until sometime after the communication class started that the name of the class was English as a Second Language. I was surprised to learn the name of the class because I was concerned with the manner in which Orlik communicated, not with Orlik's ability to understand or speak English.

19. Orlik, Morgan, and I discussed the communication classes in PIP review sessions in late May and June 1999. Orlik did not complain during any PIP review session or at any other time that she saw the classes as a form of national origin harassment.

20. From time to time, Orlik expressed concerns to me as a normal part of her internal audit job about the way that Delphi handled certain accounting entries or conflict of interest issues. I vaguely recall comments in the summer of 1999 about whether there should be reserves for potential physical inventory losses or potential fixed asset losses and whether there should be a larger or different bad debt reserve. None of Orlik's comments gave me particular concern. Orlik never suggested that any practice she was observing was illegal. Orlik never suggested that she personally was being asked to do anything illegal. I responded to Orlik's concerns in the ordinary course of business just as I would the concerns of any other employee in internal audit. Raising such concerns is a primary part of an employee's job in internal audit. One example of a concern Orlik expressed and my response is reflected in the e-mail exchange attached as Exhibit D.

21. By June 25, 1999, I believed that although Orlik's performance deficient, she showed a slight improvement in the two weeks prior to the end of her PIP. Accordingly, I

recommended that Orlik's PIP be extended through August 31, 1999. Delphi approved my request.

22. During 1999, I took the lead in engaging with internal corporate auditors in a financial audit. Orlik assisted me by serving as an additional liaison for the auditors. I was scheduled to take vacation in early August 1999 when the audit was about to come to a close. At the urging of my supervisor, General Director of Finance and Ventures, Jim Humphrey, I placed my most senior auditor, Laura Denny, into the lead liaison role that I had held. This was done in order to assure that the most experienced person would be available to address any concerns that the auditors had as they finished their work. I intended for Orlik also to continue to be available to interact with auditors until the conclusion of the audit by assisting Denny as she did me.

23. Sometime in mid-August, after completion of the corporate audit, while attempting to highlight continuing problems with Orlik's communication skills, I pointed out to Orlik that Humphrey had expressed concern that she had spent too much time talking to the auditors rather than simply listening to them and being sure that she addressed the concerns that they raised. This was another example of Orlik's struggle with concise and appropriate communication issues.

24. As the end of August neared, I had to determine whether Orlik had completed the PIP or should be terminated upon the August 31, 1999, deadline for completion. Despite a two-week period of improvement before the end of the first PIP deadline, Orlik's overall performance had not significantly improved. By August 24, 1999, it was apparent that Orlik was not going to complete the PIP successfully by the end of August. Accordingly, on August 24, 1999, I recommended to Delphi management that Orlik be terminated for poor job

performance. When I made the decision that Orlik had to be terminated, I did not know that Orlik had filed a charge with the EEOC alleging national origin discrimination.

25. Sometime between August 25, 1999, and September 1, 1999, Delphi personnel in Kokomo learned that Orlik had filed a charge of discrimination with the EEOC. I was surprised by the charge because this was the first time I had heard an allegation of national origin discrimination. Humphrey, Morgan, Richard Moser, a higher level human resources representative, and I discussed the charge, reviewed the grounds for the discharge, and consulted with Delphi legal staff. We ultimately decided that, because Orlik had failed to complete the PIP and her performance issues were unrelated to the EEOC allegations, we should proceed with Orlik's termination. Orlik was terminated solely due to her poor performance. I did not recommend termination because of her national origin. I also was not retaliating for Orlik having filed an EEOC complaint. Finally, I was not retaliating against any of Orlik's concerns about accounting practices. Those concerns did not make any particular impression on me because expressing such concerns was a part of Orlik's job in internal audit.

26. Delphi has an anti-harassment policy that prohibits national origin harassment. Delphi passed this policy out in its new Salaried Employee Handbook in or around May 1999. I received a copy. True and accurate copies of the policy and another section of the handbook that restates the policy are attached as Exhibit E. All persons who were involved in Orlik's PIP process and the decision to terminate Orlik were aware of this policy. Orlik would have received this policy as well. Under this policy, Delphi prohibits the discriminatory behavior that Orlik alleges and provides a protocol for dealing with discrimination if it occurred. I have reviewed Orlik's personnel file and saw no evidence of her having filed any complaints in accordance with the policy. My records also contain a letter from Marion McDonald, manager

over Orlik's department from 1994 to 1997, to the Delphi Human Resources Department, which was prompted by Orlik's EEOC Complaint. Ms. McDonald's letter indicated that in the four years she oversaw Orlik's department, McDonald was not aware of any harassment against Orlik or any other employees. She also stated that Orlik never approached her to complain about inappropriate comments relating to Orlik's national origin. Orlik never reported any discrimination to Delphi; and to my knowledge, no discrimination occurred.

I declare under penalty of perjury, pursuant to 28 U.S.C. § 1746, that the foregoing statements are true and correct.

Executed on February 21, 2007, in Kokomo, Indiana

/s/ Nancy Mills
Nancy Mills

EXHIBIT A

Name: Eva Orlik
Supervisor: Nancy Mills/Max McNeal SSN: 571-61-1356 Department: 5125
Review Period: 1/98-12/98 Position Title: Internal Auditor Position Code: 6F32

MAJOR JOB QUALIFICATIONS

(Specific to the position, not the employee)

Bachelor's Degree in Accounting or Finance
MBA and/or professional certification preferred
Knowledge of accounting principles and procedures
Knowledge of data processing systems
Strong communication skills
Strong analytical skills
Ability to work independently and with teams
Ability to formulate alternative strategies or courses of action
Ability to understand and interpret procedures and evaluate alternate controls
Ability to handle non-recurring special assignments

MAJOR JOB RESPONSIBILITIES

(Specific to the position, not the employee)

Perform audit tests and special ICRQ reviews.
Perform special studies.
Consult on policy and procedure matters.
Perform investigations.
Identify high risk areas within Delphi DE and develop corrective action plans.

CAREER PLANNING DISCUSSION: ☐ YES ☐ NO

EXISTING SKILLS:

Extensive cost/budgets experience, knowledge of Delco financial reporting and accounts payable related systems (receiving, purchasing), analytical skills

CAREER OBJECTIVE

Short Term: Continue assignment in Audit

Long Term: 7th level senior financial analyst position in one of the areas supporting financial decision making

SKILL REQUIREMENTS/ EXPERIENCES

Short Term: Increased knowledge of AP&P and corporate policies
IC conferences

Long Term: Cost Estimating experience
Capital Management experience

SKILL DEVELOPMENT AND TRAINING PLAN: (Includes formal training, projects, tasks, assignments, seminars, professional affiliations)

DEVELOPMENT GOALS: (Phase I)

DEVELOPMENT GOALS PROGRESS: (Phase II & III)

	Scheduled	Completed
Team Delphi II RONA training NAO IC Conference, Detroit Emergency procedure/fire extinguisher training Advanced Financial Accounting/IUPUI	4/23/98	4/23/98
	2/27/98	2/27/98
	10/98	—
	4/98	4/98
	8/98	1/99
	Effectiveness/Value of Training: <i>Team Delphi II training was better organized than Team Delphi I. RONA training was very informative.</i>	

PERFORMANCE GOALS (Phase I):

1. Fuba Integration into Delco systems - by 12/31/98
2. Theft and Defalcations reporting
3. Quarterly reconciliations status
4. Testing of high risk and non-compliance items - by 11/30/98
5. Conflict of Interest Questionnaire - by early 10/98
6. Testing of high risk Payables/Receiving processes
7. TSO 9000 account reconciliations procedure
8. Substitute in cashier function - as required
9. Reconciliation of U.S cash accounts - monthly
10. Balance Sheet review for cash accounts - quarterly

Phase I Initials: Ewa NM Date: 8-25-98

PERFORMANCE GOALS PROGRESS (Phase II):

1. Inventory successfully moved to DA books. Follow-up still req'd on balance sheet accounts such as cash, FA and A/P. Some follow-up req'd on Income Statement items.
2. Completed for '97. Presentation draft in process.
3. Ongoing. Implemented several improvements. Need to coordinate implementation of standard reporting by Delphi-D locations by 3rd quarter submission (mid-November)
5. In process
6. Action plan developed. Developing a source of A/P information
7. Completed - needs supervisor's review
8. Have substituted as required

9+10. Completed through Q2, 1998

Phase II Initials: Ewa NM Date: 8-25-98

PEOPLE ATTRIBUTES REVIEW (Phase III): Place an X on the continuum for each people attribute which best represents the employee's performance.

Communication: N E D S F U L Y

Customer Focus: I M P R O V E M E N T

Diversity: I M P R O V E M E N T

Global Perspective: I M P R O V E M E N T

Leadership: I M P R O V E M E N T

Multi-Skilled: I M P R O V E M E N T

Personal & Professional Integrity: N E D S F U L Y

Professional/Technical Competence: I M P R O V E M E N T

Responsibility & Accountability: I M P R O V E M E N T

Risk Taking: I M P R O V E M E N T

Systems Thinking: I M P R O V E M E N T

Teamwork: I M P R O V E M E N T

OVERALL PERFORMANCE SUMMARY (Phase III):

Place an X on the continuum where it best represents the employee's performance and check the appropriate box indicating growth during the review period. Be sure to consider performance goals, development goals, and people attributes in this evaluation.

Needs Improvement X Consistent, Sustained Performance Outstanding Performance

☒ Unsatisfactory; ☐ Performance Diminishing; ☐ Unchanged since previous evaluation; ☐ Growing in the role; performance improving

Phase III:

Supervisor Comments (goal attainment, people attributes, performance summary):

See Attachment A

Employee Comments:

Noteworthy initiatives and achievements: successful coordination of the Fuba project, initiative to help transition Fuba's A/P, improved account reconciliation procedure: quarterly updates of account ownership on Finance Web, designed and implemented new account reconciliation forms in compliance with AP&P, initiative to develop a source of information for A/P process verification project.

* Ewa Ozile 2/22/99

Employee Signature*

Date

Nancy A. Milk 2-5-99

Supervisor/Competency Leader

Date

J. Humphrey 2/17/99

Second Level Supervisor

Date

*Your signature in each phase does not necessarily signify agreement with the performance review. It means that each phase and the Overall Performance Summary have been discussed with you.

Goal Attainment:

Eva has completed several of her goals, but the outstanding items are as follows:

Enba LLC integration into Delphi-D	Activities have been outlined but the site is not fully integrated into Delphi-D's books. Should be completed by March 31, 1999.
Theft and Defalcation reporting	A presentation outlining reporting requirements has been prepared and will be communicated during February, 1999.
Testing of high risk /non-compliance items	This activity was distributed to other coworkers due to her workload.
Testing of Payables/Receiving process	This activity was postponed due to current staffing issues.
TQS procedure for account reconciliations	This activity was completed, but due to a process change, it will require an update.
Conflict of Interest questionnaire	Eva completed the Delphi-A requirements but still needs to summarize supplier conflicts for the Purchasing staffs' use. This should be completed during February, 1999.

People Attributes:

Eva's strongest attribute is focusing on meeting customer requirements and providing prompt follow-up. She also shows a sense of responsibility for tasks given, but she does not seek out additional assignments. When given an assignment, at times, her tone of communication comes across that the assignment is an imposition. She needs to be more proactive and accepting of responsibility. Eva accepts feedback and does try to act upon it. An area which could be strengthened is her communication skills. Her oral communications tend to be longer than necessary. Also, the same thought or point gets repeated multiple times in conversations. She also tends to try and solve problems during meetings. While this is beneficial at times, it is more often disruptive. She also should keep supervision better informed on the status of tasks. She needs to make oral communications more clear and concise. Her written communications are not always consistent. Comments have been received as to the curtness of her memos as well as the clarity of her memos. She needs to insure that information is always proofread for accuracy and she also needs to insure that confidential information is never inappropriately shared (e.g. conflict of interest responses from employees sent to all HR representatives). Eva should also show improvement in her listening skills. She has a tendency to interrupt others without listening to the full statement or idea. This sometimes results in the communicator having to repeat what was missed earlier. Eva's analytical ability is good at times, but is not consistent. Eva will analyze a project in much greater detail than is required to complete the task. She needs to learn the appropriate amount of analysis required in order to complete tasks in the time allotted. This results in the fact that it takes Eva longer to complete assignments than others in the department. Eva also has difficulty balancing multiple tasks well. She does better when she focuses on only one specific project. However, there are very few jobs, and none at the sixth level, that focus on single projects. She also has difficulty prioritizing which item should receive the highest priority. During my time in the department, I have not been able to give Eva additional/special assignments because of some of the items noted. Eva needs to be appreciative of her teammates. Criticism of another department member who assisted her with a project did not benefit the team. She also needs to respect other individuals' time. Eva will interrupt for a quick question and this can be disruptive to others if they are currently meeting with someone else. If time is required to meet on topics, appointments should be made.

Performance Summary:

Eva has several areas in which she needs to make improvements. During 1999, I recommend that she be sent to additional communication training and time management courses. I also recommend that Eva be placed on a Performance Improvement Plan.

Below are the facts describing my professional attributes and other issues related to my 1998 performance review:

- I have continued my professional growth by taking the courses such as Advanced Accounting at IUPUI and the CPA Review.
- My performance goals were adjusted during 1998 due to the staffing shortage. I have completed all the revised tasks.
- I have completed a substantial number of 1998 department goals. I have consistently worked overtime to keep up with the workload while taking continuous education classes at night. For these reasons I was unable to take on an additional workload.
- The CPA Review course I am currently taking requires a significant time commitment. Due to the staffing problem in the department my request for a part time assignment was denied.
- My technical skills were transparent in the finance related tasks such as Fuba, LLC integration project and account reconciliation status reporting.
 - In December of 1998 I reconciled the discrepancies between Fnba, LLC and Delphi-D books and passed the project on to George Caston, Fuba LLC business manager, for preparation of adjusting journal entries. Completion of the project was passed back to me in January of 1999.
 - With regard to the account reconciliation status project, I have shown both professional and negotiation skills to expose many unreconciled accounts. I took an initiative to improve the quality of reconciliations. I coordinated a new reconciliation process for the accounts transferred to Delphi Accounting Center in Juarez, designed and implemented the new account reconciliation forms and distributed training materials worldwide to increase awareness of the importance of this task. Account reconciliations were mentioned by Jim Humphrey in the December 1998 Finance employee meeting as one of the most notable Finance achievements in 1998.
- On multiple occasions I have shown an initiative and demonstrated high technical skills.
 - I have exposed potential conflict of interest situations through utilization of Dacor system.
 - I have learned on my own the Powerpoint application to alleviate the workload of others. I used these skills to prepare several presentations.
 - I have designed a report for testing of payables using previously acquired programming skills. The project was postponed due to the staffing problems.
- My substantial workload and the fact that I was assigned a desk away from the remaining department employees did not contribute in a positive way to the sense of teamwork. I have expressed on multiple occasions a need to be better integrated with the group.
- On several instances I received a positive feedback related to the quality and teamwork aspect of my work. I have enclosed a hard copy of one of them.
- I had to address with Nancy Mills an issue of insufficient cooperation on the part of the team member due to my concern related to the fast approaching important deadline. The situation arose because the responsibilities were not clearly defined. I made sure to maintain a friendly relationship with that employee.
- I accept the remaining criticism expressed in my performance review although I was not aware of the seriousness of the problem or the scrutiny of my areas for improvement until the conversation with Nancy Mills on February 11. I will maintain a positive attitude and strive to improve my performance. If despite my continuous efforts my performance will still be deemed unsatisfactory, I am asking to be allowed to continue my employment with Delphi-D until October 10, 1999, when I will become vested in the employee retirement benefit program.

DELPHI
Automotive Systems

Nancy A Mills

11/03/98 10:08:32 PM

To: Eva M Orlik
Subject: Re: Delnosa Reconciliations Status Q3.

Eva,

I thought that I would share John Rotko's very positive comments with you!

Nancy

----- Forwarded by Nancy A Mills/DELCO on 11/03/98 10:05 PM -----

DELPHI
Automotive Systems

John F Rotko

11/03/98 03:50:32 PM

To: Nancy A Mills
Subject: Re: Delnosa Reconciliations Status Q3.

Nancy : It is very refreshing to receive these types of notes; obviously Eva has a lot to do with these accolades. Good work on her part, and I can positively feel that we are over the "hump" on getting a handle on account reconciliations.

Regards, John R.

Delphi Automotive Systems

From: Eva M Orlik/DELCO
Date: 11/03/98 02:21:15 PM EST
Subject: Re: Delnosa Reconciliations Status Q3.

Lulu,

Your summary file is almost exactly what I was looking for. I added some minor details like the count of reconciled and unreconciled accounts. I think it will help us turn the information around faster, especially that we always have last minute changes to the Juarez count.

I have also compared your report with the Q3 download of Delnosa GMGL accounts in US\$, and found only 4 accounts that did not make it to your list. I marked them in red in column A and B. Can you look into this?

Good job, Lulu! It will help me a great deal.

Thank you,

Eva



delnosa Q3 SUMMAR

10/30/98 01:48:18 PM
Patricia Palacios

DELPHI
Automotive Systems

To: Eva M Orlik/DELCO@DELCO
cc: John F Ro/ko/MX/DELCO@DELCO
Norma Alejandra Garcia/MX/DELCO@DELCO

Subject: Delnosa Reconciliations Status Q3.

Eva,
I am attaching two files,
The first one(SUMMARY XLS) is listed by General Ledger Account & Sub account and without the Local
suffix. And the second is the old format that I used to send you, the wich includes the local
suffix(COMPLETE XLS). Please review the information and let me know if I need to make changes.

Also, I talked with Sandra Ruesga (from Juarez) she agreed to submit the Delnosa's Reconcilement Report
by November 13th.



SUMMARY.X



COMPLETE.

Thank you. Have a nice weekend.

Lourdes Sánchez C.

Internal Control
Ext. 8.953.2612

Eva Orlik, Internal Control
Delphi Delco Electronics Systems
Location: Plt 1 - 2nd Floor East - Kokomo IN
gm phn: 8-322-2764 fax: 8-322-4817 m/s: A239
phn: 765-451-2764 fax: 765-451-4817
net: emorlik@mail.delcoelect.com

To:

Patricia Palacios/MX/DELCO

cc:

John F Rotko/MX/DELCO

Norma Alejandra Garcia/MX/DELCO

Adriana M Valdez/MX/DELCO

Oscar Quintanilla/MX/DELCO

Category:

EXHIBIT B

*Reviewed 3-9-99
w/ Eva & Greg*

**General Motors Corporation
PERFORMANCE IMPROVEMENT PLAN**

NAME: Eva Orlik DATE: 2-24-1999

1. Performance Deficiencies	2. Behavior or Results Desired by Management	3. Action Management Will Take to Help Employee Correct Deficiencies	4. Action Employee Will Take to Correct Deficiencies	Completion Date
1. Ineffective oral and written communications	1. Concise oral communications; improved tone of oral & written comm.; improved listening; improved accuracy and clarity of written communications.	1. Enroll Eva in a class on effective communications; provide regular feedback on communications skills	1. Conscious of the length of communication and the tone of voice, plus concentrate on listening better. Will seek feedback from Nancy Mills on all the above plus critique written communications in advance of sending out.	7/1/99
2. Inability to prioritize and balance multiple tasks	2. Effectively prioritize and balance tasks without supervision	2. Enroll Eva in a time management class; require Eva to maintain a task prioritization list with deadlines	2. Maintain a task prioritization list in Excel or some other tool and update it regularly	7/1/99
3. Misses assignment deadlines frequently	3. All assignments completed within deadlines	3. Clearly communicate assignment deadlines and expectations to Eva	3. Same as above	7/1/99
4. Ineffective interpersonal relationships	4. Perform roles within team effectively; a team player who aids co-workers	4. Provide regular feedback on Eva's interpersonal effectiveness with peers, customers, team members, etc.	4. Attempt to maintain and develop friendly relationships with peers, customers, etc., plus perform required roles within teams	7/1/99

SIGNATURES: Upon successful completion of the PIP, should any deficiencies recur in the future, immediate disciplinary action may take place in lieu of a PIP.

Appraiser Nancy A. Mink 3-8-99 Employee Eva Orlik 3/9/99
 Appraiser's Supv. [Signature] 3-8-99 Personnel Greg Morgan 3/9/99
 Other [Signature] Other _____ Date _____

APPRAISAL OF PROGRESS

Evaluate the employee's progress to date on the plan for improvement detailed on the reverse side.

3/9/99 Eva should continue to work on making communications more concise and to the point. Written communications need to present thoughts and ideas clearly. Too much rework occurred during this evaluation period. Also, notes should continue to be proofread to insure that all corrections have been made. Attention should be made to the "To" and "cc" individuals on E-Mails. Always insure that the "To" addressees are the people that you expect to take some action with the note. Eva has developed a task list to monitor when assignments will be due. This appears to be helping Eva keep track of all assignments. Assignments should be completed as close to the original completion date as possible in order to keep things from "piling up" at a future date. The only assignment that was not completed during this review period was the completion of a template that the Financial Reporting Department had requested. Also, the escheatable property plan outlined for the balance sheet review needs to have owners for the activities identified and dates for when the activity will be completed. Eva and I were unable to review this together before the assignment due date. The theft & defalcations assignment was completed by Eva on-time, however, I was unable to review the document until 3/7/99. People were surveyed regarding Eva's teamwork abilities. The major comments that were returned all centered around keeping communications brief and to the point. *Done, 3/8/99 NAM 3-9-99 Waa 02/22 3/9/99*

SIGNATURES:

orlikpjp.doc

APPRAISAL OF PROGRESS

Evaluate the employee's progress to date on the plan for improvement detailed on the reverse side.

3/9/99 Eva should continue to work on making communications more concise and to the point. Written communications need to present thoughts and ideas clearly. Too much rework occurred during this evaluation period. Also, notes should continue to be proofread to insure that all corrections have been made. Attention should be made to the "To" and "cc" individuals on E-Mails. Always insure that the "To" addressees are the people that you expect to take some action with the note. Eva has developed a task list to monitor when assignments will be due. This appears to be helping Eva keep track of all assignments. Assignments should be completed as close to the original completion date as possible in order to keep things from "piling up" at a future date. The only assignment that was not completed during this review period was the completion of a template that the Financial Reporting Department had requested. Also, the escheatable property plan outlined for the balance sheet review needs to have owners for the activities identified and dates for when the activity will be completed. Eva and I were unable to review this together before the assignment due date. The theft & defalcations assignment was completed by Eva on-time, however, I was unable to review the document until 3/7/99. People were surveyed regarding Eva's teamwork abilities. The major comments that were returned all centered around keeping communications brief and to the point.

4/1/99 Communication skills continue to be an area which Eva needs to improve. Her voice continues to be boisterous and individuals have commented regarding their ability to hear her conversations. She also needs to be respectful of other individuals' time. Even though individuals may be in the middle of a conversation or have indicated no time is available, Eva proceeds with her questions. An example of this would be requesting account reconciliations on the first workday when the primary focus of that day is to insure all entries are booked correctly and on-time to the ledger. Eva needs to improve her listening skills. At times, she appears to be thinking of her next question rather than focusing on the conversation at hand. Some individuals have commented that topics need to be explained multiple times. At times I feel that I have to negotiate with Eva on due dates. Examples would include not being able to attend a department meeting and working out timing for the escheatable property assignment. Things must be completed in a timely manner because it will cause work to pile up to an even greater extent in the future. Also, written communications still tend to require more review and rework than expected. Since I have been out of the office for the majority of this week, I have not received an update on the cash account reconciliation, the plan for completion of the escheatable property activity or a training plan to address performance deficiencies. Also, the theft and defalcation training package and the associated Delphi CFO letter have not been issued to date even though all comments were provided on Friday, March 26.

4/27/99 Eva is making some progress in completing assignments on time. She is maintaining a task list and is advising me of the status of all items. This is helping her to keep aware of all assignments that have been given. Eva needs to insure that she is enrolled in some communication classes and a time management course. These classes need to be completed and practiced in order to successfully complete this process. It would have been more advantageous to have taken these classes earlier in the process. Eva needs to be more cognizant of people's time. On April 14, 1999, a review of the status of assignments was scheduled for one hour but actually lasted two and a half hours. Communications must become more concise. Care should also be taken with information in the area. I, another supervisor and an hourly employee, all noticed where the combination to the petty cash drawer was located.

Don 4-27-99 *NM* 4-27-99 *Callan* 4/27/99

APPRAISAL OF PROGRESS

5/25/99 There has been a longer than normal gap in the appraisal of Eva's progress due to Eva being out of the office in preparation for the CPA examination coupled with travelling. Communication skills still need to be improved. When Eva and I discuss the content of a note for an E-Mail, I notice that she tries to write every word that is said during our discussion. She needs to learn to pen these memos independently. I have also received feedback that her communications are at times, repetitive in nature. Also, I have received feedback from other supervisors that she could display more diplomacy in her dealings with other employees. Recently, Eva gave our summer student a portion of her assignment. I believe that this was inappropriate for her to pass along her responsibilities without consulting me beforehand. Eva has taken the Time Management Training and is scheduled to take some additional communication classes. *John 5-25-99* *Eva Oliva 5/25/99*

SIGNATURES:

Appraiser

Employee

Date

Date

Appraiser's Supv.

Personnel

Date

Date

Other

Other

Date

Date

APPRAISAL OF PROGRESS

5/25/99 There has been a longer than normal gap in the appraisal of Eva's progress due to Eva being out of the office in preparation for the CPA examination coupled with travelling. Communication skills still need to be improved. When Eva and I discuss the content of a note for an E-Mail, I notice that she tries to write every word that is said during our discussion. She needs to learn to pen these memos independently. I have also received feedback that her communications are at times, repetitive in nature. Also, I have received feedback from other supervisors that she could display more diplomacy in her dealings with other employees. Recently, Eva gave our summer student a portion of her assignment. I believe that this was inappropriate for her to pass along her responsibilities without consulting me beforehand. Eva has taken the Time Management Training and is scheduled to take some additional communication classes.

6/10/99 Eva should continue to focus on time management. She still needs to improve her productivity. Assignments appear to take longer than average to complete. I sometimes sense that tasks that are not as substantial are not getting a high priority. Eva needs to be timely with requests. Information was late for a response to EAG as to what accounts they reconciled on our behalf. Phone responses are not always answered in a timely manner. Eva needs to communicate the status of how her communication classes are progressing.

Notation / acknowledgment of receipt of Eva's response to 4-1-99 comments
plus completed work schedule. Done 6-10-99 Eva Oller 6/10/99
N.M.H. 6-13-99

SIGNATURES:

Appraiser	_____	Employee	_____
	Date		Date
Appraiser's Supv.	_____	Personnel	_____
	Date		Date
Other	_____	Other	_____

APPRAISAL OF PROGRESS

5/25/99 There has been a longer than normal gap in the appraisal of Eva's progress due to Eva being out of the office in preparation for the CPA examination coupled with travelling. Communication skills still need to be improved. When Eva and I discuss the content of a note for an E-Mail, I notice that she tries to write every word that is said during our discussion. She needs to learn to pen these memos independently. I have also received feedback that her communications are at times, repetitive in nature. Also, I have received feedback from other supervisors that she could display more diplomacy in her dealings with other employees. Recently, Eva gave our summer student a portion of her assignment. I believe that this was inappropriate for her to pass along her responsibilities without consulting me beforehand. Eva has taken the Time Management Training and is scheduled to take some additional communication classes.

6/10/99 Eva should continue to focus on time management. She still needs to improve her productivity. Assignments appear to take longer than average to complete. I sometimes sense that tasks that are not as substantial are not getting a high priority. Eva needs to be timely with requests. Information was late for a response to EAG as to what accounts they reconciled on our behalf. Phone responses are not always answered in a timely manner. Eva needs to communicate the status of how her communication classes are progressing.

6/25/99 During the past two week period, Eva has begun to show some performance improvements. When we reviewed the FUBA project status, the summary analysis was clearly put together and the associated workpapers were well documented to tie in with the summary page. This helped facilitate our review of the information. Also, there have been some improvements in Eva's communication skills. Messages tend to be delivered with better tone and are more concise. The Delphi Audit Services staff has been complimentary of Eva's support during the last two weeks. Also, I have received complimentary feedback from our Systems Information Manager regarding an analysis that Eva completed on the financial staff's phone activity.

Based upon the items observed during the last two weeks, I would like to extend Eva's evaluation period through August 31, 1999.

This is being done to insure that the improved performance is sustainable.

JAM 6/23/99

GUY 6/25/99

NAM

6-25-99

SIGNATURES:

APPRAISAL OF PROGRESS

8/17/99 No significant change in Eva's performance has occurred since the last evaluation date. During the last two week period, Eva has spent her time in the following manner: 36% miscellaneous tasks, 35% account reconciliations, 22% assisting with the audit of the Financial staff by Delphi Audit Services and 5.2% on getting surveys modified for the upcoming ICRQ. A significant time was spent on miscellaneous tasks. Eva should prioritize her work efforts more effectively so as to allow for more opportunities to work on true internal control assignments. Also reconciliations took a fair amount of time to complete. Efforts should continue to reduce the amount of time spent in this particular area. Eva should continue to work on her listening and comprehension skills. I received feedback from one of her peers that it took longer to explain the operation of a new system to Eva than it did for others in the group. Now that the Corporate audit has been completed, Eva should continue working on the escheatable property project.

Doug Mays 8-17-99 Nancy A. Milk 8-18-99 Eva Olex 8/18/99

SIGNATURES:

Appraiser		Employee		Date
Appraiser's Supv.		Personnel		Date
Other		Other		Date

Evaluate the employee's progress to date on the plan for improvement detailed on the reverse side.

APPRAISAL OF PROGRESS

8/17/99 No significant change in Eva's performance has occurred since the last evaluation date. During the last two week period, Eva has spent her time in the following manner: 36% miscellaneous tasks, 35% account reconciliations, 22% assisting with the audit of the Financial staff by Delphi Audit Services and 5.2% on getting surveys modified for the upcoming ICRQ. A significant time was spent on miscellaneous tasks. Eva should prioritize her work efforts more effectively so as to allow for more opportunities to work on true internal control assignments. Also reconciliations took a fair amount of time to complete. Efforts should continue to reduce the amount of time spent in this particular area. Eva should continue to work on her listening and comprehension skills. I received feedback from one of her peers that it took longer to explain the operation of a new system to Eva than it did for others in the group. Now that the Corporate audit has been completed, Eva should continue working on the escheatable property project.

9/01/99 Since the last review period, Eva has completed the quarterly account reconciliation report for submission to Delphi headquarters. She performed independent analysis on the Internal Control Review Questionnaires in preparation for the 1999 calendar year survey. Given the amount of time that Eva spent on her own preparing for our review (approximately 29 hours), I would have expected the review with me to be much more effective. The review with me took approximately 5 hours and this included a review of all questions on all of the questionnaires. Some questions should have been added to comprehend prior audit comments at Delphi-D and were not included at the time of the review. A meeting that I requested on 8/19/99 to be set-up with Jeff Hicks, Eva, and myself to discuss some of Eva's concerns regarding fixed assets has not been completed. Also, some of the open items from prior reviews have yet to be completed.

Based upon the continuous assessment during this evaluation process, I still notice that Eva has difficulty with balancing and prioritizing multiple tasks as well as completing all assignments within defined deadlines. While her communications skills have improved some over the last two months, she still needs to work on clarity and conciseness. I do not believe that Eva has effectively and successfully completed this Performance Improvement Plan.

SIGNATURES:

Appraiser	<u><i>Laney C. Mink</i></u>	<u>9/1/99</u>	Employee	<u><i>Eva Olick refused to sign</i></u>	<u> </u>
		Date			Date
Appraiser's Supv.	<u><i>J. H. Humphrey</i></u>	<u>9/1/99</u>	Personnel	<u><i>Dwight K. May</i></u>	<u>9-1-99</u>
		Date			Date
Other	<u><i>J. W. M. Over</i></u>	<u> </u>	Other	<u><i> </i></u>	<u>9/1/99</u>
		Date			Date

EXHIBIT C

Deadlines

Open items	Due date	Weekday	Time	Task	Progress information
	28-Jun	Monday		Feedback on Adrian Luzuriaga recon worksheets	.6 hr reviewed memo asking mgrs for feedback
	28-Jun		12:00 PM	B. J. Gilzean - class, travel, reading assignment	1.75 hr
				phone, VM, e-mail, deadlines update, assist auditors	1.5 hr
				Return Mike Pezzetti's call, answer q. after his review of adnl backup and explanations, make at his request minor chgs to the adjustments wksht, write a memo summarizing Fuba LLC adjustments on DE books, inform/review w/Mary, research 97 BS discrepancy betw. books and tax return	4.75 hrs
	28-Jun			Call Mike Emerson, Key Bank, 868-6004 to make sure he rec'd my 6/25 fax.	0.4 hr
	28-Jun		11:00 AM	Claude - prm frt mtg w/ Bill Barnett, Chris Perry, Roger Sherman, Bill's office. Is Skip coming to this mtg? Respond Mon AM.- roger x4226	left msg
	29-Jun			Reconciliation of cash accounts	5.5 hrs, worked on prior recon items
	29-Jun			phone, VM, e-mail, deadlines update, assist auditors, follow up on prmt frt mtg	2 hrs - selection of air carriers for spot buys - done at Delphi-A - Kitty Hawk
	29-Jun			handle a request for a copy of travel policy, figure out a download from Netscape	1 hr
	29-Jun			changes to memos per Nancy's instructions	0.5 hr
	30-Jun	8:30 AM	10:30 am	Dept mtg	2.4 hrs
	30-Jun	10:30 AM	11:30 AM	Key Bank refresher w/ Nancy	cancelled
	30-Jun			follow up on frt claims billing recon to PCL records	1.5 hrs
	30-Jun	1:00 PM	4:30 PM	Customs seminar CTC, 2nd floor above CTC1, report in the dept mtg, contact - Brenda Calron	3 hrs
	30-Jun			call Brian Reynolds 8-444-6405 re 1st Chicago 6/2 and 6/8 trans - dr and cr each day for \$2186, check 467673 (not paid by bank). NY Treasurer's Office processed as a pmt on JV 0003, part of a dr to a/c da 1001 for 4336.80. DA 1001 needs to be credited for 2186.	msg 7/1
	1-Jul	Thursday	12:00 PM	B. J. Gilzean	1.75 hr
	1-Jul			phone, VM, e-mail, deadlines update, assist auditors	1 hr
	1-Jul			Follow up on auditors' findings	1.2 hr
	1-Jul			Follow up w/ Key Bank	.75 hr
	1-Jul			Follow up with Mike Pezzetti, respond to request	.5 hr \$35K delta betw BS and tax return written off to expense based on the info I provided.
	1-Jul			Follow up on closing Fuba's account, locate requested documents, find out how to process wire transfer, write an acknowledgment, send to Gary Bertolini	1.5 hr
	1-Jul			Reconciliation of cash accounts, follow up w/ Brian Reynolds	2.5 hrs

Rec'd 7-19-99

Deadlines

Open items	Due date	Weekday	Time	Task	Progress information
	2-Jul			follow up w/Mark Montreal	0.25 hr, mgrs fill out 2 sets of ICRQs - 1 for Delphi-D and 1 for Delphi-E - different dates, different q. Mark rec'd the ICRQs for distribution to all Mke mgrs from Clyde Fabricio (replaced by Gay Terry). Only one engineering mgr rec'd duplicate forms.
	2-Jul			Send follow-up to all sites' IC asking for copies of theft reports	3 hrs figure out distr. List, change presentation, write memo, resch - a/c recons and migs 6/30, 7/1
	2-Jul			figure out how to transfer PDF files to Word	1 hr
	2-Jul			follow up on cash mgmt issue, e-mail to Jeff Janos' mgr @ NYTO	0.5 hr
	2-Jul			phone, VM, e-mail, deadlines update, assist auditors, clean up overhead files	2.5 hrs
	2-Jul			get organized for tasks during shutdown - ICRQ files, have passwords reset for Easytrev	1 hr
	6-Jul			Clean Sharon Terrini's desk	1.3 h
	6-Jul			phone, VM, e-mail, deadlines update	.75 hr
	6-Jul			Send follow-up to all sites' IC asking for copies of theft reports	2 hrs, make more changes for clarity, finish, send for Nancy's review
	6-Jul			Easytrev database/access problem	3.5 hrs, run sample reports, meet w/Brenda, request database access
	6-Jul			Clarify with H. Rosenberg that one of Fuba LLC invoices for dissolution fees has been paid, request pmt processing for the remaining legal fees	1 hr
	7-Jul			30 storage tags for Mary	.8 hr
	7-Jul			Escheatable property - search for all vendor codes since checks issued	1.7 hr
	7-Jul			phone, VM, prior e-mail, deadlines update	1.5 hr

2.55

Deadlines

Open items	Due date	Weekday	Time	Task	Progress information
	7-Jul			Research 1st Chicago reconciling item from 6/98 w/Jeff Janos, NYTO, Joyce Decarlo, 1st Chicago, Xiaowei and Michelle Davis-Forbes.	3.5 hrs Reviewed transaction flow with Xiaowei since till 6/98 the reconciliation of DA1001 was tied to DJ1001. In 6/98 the cash management function transferred to NYTO. Talked to Michelle Davis-Forbes, GM Cash Mgmt(313-667-7562). Determined that an offset to a reconciling item of DR 2189 booked to DA 1001 on JV 3 in 6/98 was a CR to GM Corp. Cash A/ C booked through DA 6350 open a/c. Joyce and Jeff are researching the transactions to determine whether the bank failed to issue a cr to a/c 945285 tied to DA 1001 or a part of 6/98 JV3 was incorrect. If a problem is on DE books talk to Rebecca Donahue, Delphi Cash Mgmt 248-813-3307. Established w/Joyce that check 46767 has been aid. Faxed documents showing that bank statement does not reflect it.
	8-Jul			Sick	
	9-Jul			phone, VM, e-mail, deadlines update	.5 hr
	9-Jul			Keybank reconciling items - resolved the 1997 \$10K payment discrepancy issue, worked on 1998 discrepancy to prepare for meeting at Keybank.	2 hrs
	9-Jul			Escheatable property - search for all vendor codes since checks issued	8.5 hrs
	12-Jul			Escheatable property - search for all vendor codes since checks issued, run/trouble shoot a report in PLIPC4B	8 hrs
	12-Jul			phone, VM, e-mail, deadlines update, help Sandy locate document retention info	.75 hr
	13-Jul			Issue 60 storage labels for Sandy Comerford	.8 hr
	13-Jul			Trouble shoot the Easytrev report in PLIPC4B AND clipc1B with Shabira/EDS, Brenda and on my own	8 HRS CLIPC1B fixed, no access to TAPE92, submitted security request, Brenda to approve, PLIPC4B problem remains
	13-Jul			Follow up w/Keybank and EAG on '98 Keybank reconciling items	.75 hr
	14-Jul			Phone, VM, Misc - issue adtl storage tags for G/L group, update deadlines, follow up w/EAG on 2/98 payments	1.5 hr

Deadlines

Open items	Due date	Weekday	Time	Task	Progress information
	14-Jul			Trouble shoot the Easytrev reports in PLIPC4B with Shabira/EDS, Brenda and on my own, run the report in clipc1B	11 hrs identified problem: 94 file - different format than 93, TAPE92- name unknown, no active module found - tape not retrieved in Plano. Run 95-1/98, 93, 94, 2/98-6/98. Problem w/500 page report in queue - EDS could not stop print job. Other reports 300-400 pages - printer problem. Some reports - missing data in document and PO field - run w/ Brenda, fixed on my own, reports stuck in print queue. Got final version of 94, 93 needs to be rerun based on 94 logic, 95-1/98 needs to be rerun, got the logic. Run final version of 2/98-6/99.
	15-Jul			Run remaining reports. Changed HDE printer orientation. report spooled but did not print, called helpdesk. Rerun the reports on KODSN089. Run adtl reports by amt to identify pmt w/possible wrg check #, date. Identified course of action for several pmts.	9.5 hrs
	15-Jul			Misc	.5 hr
	16-Jul			Run individual reports, research pmts for which no record can be found, detail in escheatable property file	8.5 hrs

EXHIBIT D

DELPHI
Automotive Systems

Nancy A Mills

08/19/99 01:34:04 AM

*Add'l Request
Made re: June
Reconciliation
Report*

Addressee List

Subject: Re: June reconciliation status report 

Eva,

Please add the two accounts that were noted as unreconciled during the audit 1810/1845 as mentioned in my voice mail.

I have some concerns regarding the action plans--They don't look "active". There is no definitive corrective action plan with any date committed. Also, for your first two accounts, are the comments in all caps related to the first account and the regular type related to the second account? Also, in Liverpool, what does "Wtg." stand for?

While we did discuss that some of the accounts would not be resolved immediately, by showing that accounts will not be reconciled until September, Q3 or 12/31/99, this will be a red flag that we are not clearing our resolving items in a timely manner. If we stay with these dates, we need to insure that Jim has approved a deviation for not having them resolved/reconciled within 30 days.

I would eliminate your comments regarding the 3270 "opportunity" in your note to the staff. I would like to discuss this again in greater depth when I return to the office. Some of the explanation is still unclear. I would also like for Jeff Hicks to help explain this. If your concerns are still valid, there will still be time to keep the entry from being booked in August accounting.

Nancy

Eva M Orlik



Eva M Orlik

08/18/99 03:53 PM



To: Nancy A Mills

Subject: June reconciliation status report

Nancy,

Attached is the file containing comprehensive worldwide account reconciliation status information as of June 30, 99. I have followed up on several leads in my reconciliation audits. My findings are included on page "June Audit".

I am concerned that we may take the imbalance in account 3270 to income in 1999 just to write it off in the year 2000 as a result of Fixed Asset physical inventory.

Please note the following excerpt from the Accounting Policy Manual:

"To assure accuracy and aid in control, periodic physical inventories should be taken of all fixed assets at intervals deemed appropriate by the unit but at least once every five years. Once started, the inventory must be completed within one year. Assets not found must be written-off if they are not located within one year

after completion of the inventory. Nominal value assets are not subject to periodic physical inventories but each unit should continue to exercise adequate physical controls.

Occurrences such as major or substantial expansion programs, plant rearrangements, replacement or modernization programs, etc., may indicate the need for a more frequent physical verification than otherwise would be necessary. During programs of this nature, the plant is often exposed to extensive change involving the movement or disposal of many types of assets. All physical activity in the assets should be promptly recorded in the property records and a physical verification may be the only assurance that the property records represent the assets actually in existence. This is particularly applicable to assets such as booths, conveyors, certain types of machines, air, gas and water lines, electrical systems, etc., where the change is difficult to discern except by close physical inspection.

The results of the inventory experience should be used in appraising the adequacy of internal controls related to reporting and recording acquisitions, disposals, transfers and departmental movement of assets."

As you know, only the page called "Unreconciled" is submitted to Delphi-A. Please let me know if it will require any cha

Thank you,



Jun_99 recons.

Eva Orlik, Internal Control
Delphi Delco Electronics Systems
Location: Plt 1 - 2nd Floor East - Kokomo IN
gm phn: 8-322-2764 fax: 8-322-4817 m/s: A239
phn: 765-451-2764 fax: 765-451-4817
net: eva.m.orlik@delphiauto.com

Diagnostics

Diagnostics

DETAIL OF JUNE 99 UNRECONCILED ACCOUNTS:

Business Unit: Delphi Delco Electronics Worldwide Operations

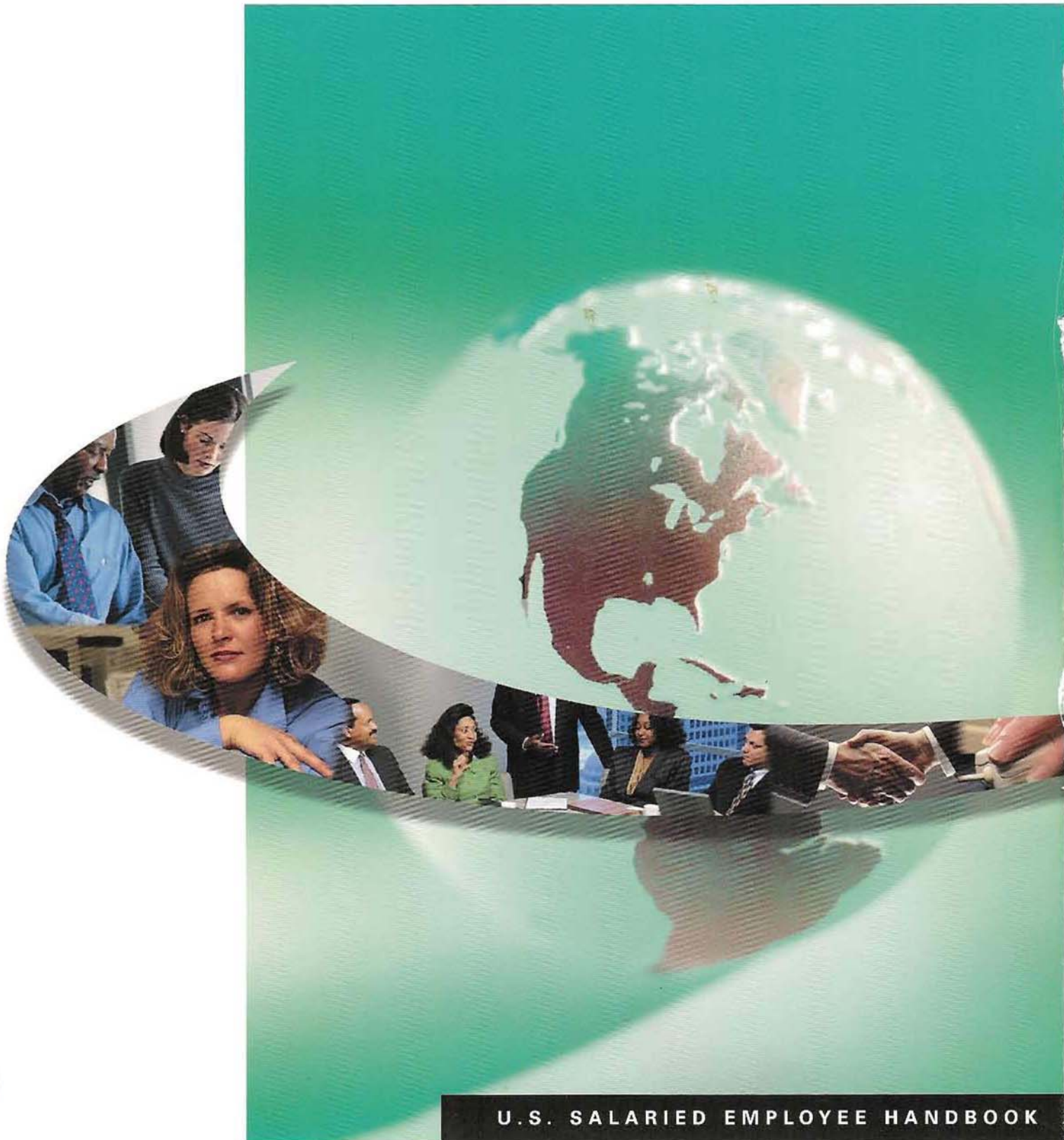
Unit	T/B code	4 digit general ledger account	5 digit subaccount	Date last reconciled	Acct Balance on 6/30/99	Unreconciled Balance	When recon will be complete	Individual Responsible	Corrective Action Plan
Kokomo, IN	DA-00280	5030	14110	Dec-98	(258,422.96)	(258,422.96)	Q3	Sanders	00957 JV 13/98; PETE LUNDER - BEG BAL PER GM RECLASS OF ITEMS FROM 5278 WHICH HAVEN'T BEEN RELIEVED YET; Sheryl Campbell says no Pension expert as yet at Delphi A, thus, no relief has been being booked to Pension for 1999. Packard statement issues do not match trial balance submission
	DA-00280	5881	00000	Dec-98	(941,666.67)	(941,666.67)	Dec-99	Sanders	Corrective action planned for Sept 99 for remaining allied A/P issues
	DA-00280	4201	00129	Mar-99	(2,017,603.74)	???	Jul-99	Bridenthal	Corrective action planned for Sept 99 for remaining allied A/P issues
	DA-00280	4201	005A2	not to submit	(16,269,717.05)	(141,374.11)	Sept	Bridenthal	Corrective action planned for Sept 99 for remaining allied A/P issues
	DA-00280	4201	005C3	not to submit	(285,430.32)	(27,777.00)	Sept	Bridenthal	Corrective action planned for Sept 99 for remaining allied A/P issues
	DA-00280	4201	005D1	not to submit	(37,785.16)	???	Sept	Bridenthal	Corrective action planned for Sept 99 for remaining allied A/P issues
	DA-00280	4201	00719	not to submit	(6,227,577.56)	452,648.89	Sept	Bridenthal	Corrective action planned for Sept 99 for remaining allied A/P issues
	DA-00280	4201	00723	not to submit	-	250,000.00	Sept	Bridenthal	Corrective action planned for Sept 99 for remaining allied A/P issues
	DA-00280	4411	00000	Jan-99	(301,827,492.05)	70,538.85	Jul-99	Stouder	A/P ISSUES TO BE RESOLVED
	DA-00280	1890	00000	May-99	2,439,393.94	2,315,753.08	Sep-99	McCoy	In process of researching GMTOPS bookings with EAG and Capital Mgmt.
Liverpool, U.K.	00508	2001	00231	2/28/99	49,897.72	49,897.72	7/31/99	Chris Young	Wtg Delphi Treasury (Brussels)
	00508	2001	00554	2/28/99	41,587.87	41,587.87	7/31/99	Chris Young	Wtg Delphi Treasury (Brussels)
	00508	2657		2/28/99	4,844.57	4,844.57	7/31/99	Chris Young	Wtg Delphi Treasury (Brussels)
	00508	2658		2/28/99	400,909.35	400,909.35	7/31/99	Chris Young	Wtg Delphi Treasury (Brussels)
	00509	4801	00231	2/28/99	(242,831.35)	(242,831.35)	7/31/99	Chris Young	Wtg Delphi Treasury (Brussels)
	00509	4801	00554	2/28/99	(41,437.21)	(41,437.21)	7/31/99	Chris Young	Wtg Delphi Treasury (Brussels)
Fuba, Germany	2660	1601	00150	ongoing	1,238.15	1,238.15	July 99	M. Brinkhaus	Remittance advices received, reconciliation almost complete
	2660	1601	00280	ongoing	(1,140.84)	(1,140.84)	July 99	M. Brinkhaus	Remittance advices received, reconciliation almost complete
Megamos, Germany	00588	1601	00280	5/31/99	3,662,739.87	526,074.65	12/31/99	Irene Kluetz	DELCO Kokomo to provide further details
	00588	1601	00558		1,097,206.15	295,617.84	12/31/99	Irene Kluetz	

Delphi/D Account Reconciliation Status

	Total # Of Accts	# of Accts Not Reconciled	%	\$ Balance of Unreconciled Accounts
U.S. Operations	952	9	0.94%	(325,426,311.82)
Foreign Subsidiaries:				
Mexico	296	0	0.00%	
Argentina	410	0	0.00%	
Singapore	195	0	0.00%	
China	87	0	0.00%	
Germany	385	4	1.04%	4,760,043.22
England	177	6	3.38%	212,970.85
France	43	0	0.00%	
Sweden	81	0	0.00%	
Subtotal				
Total Division	2,638	19	0.72%	(320,453,207.45)

EXHIBIT E

DELPHI
Automotive Systems



U.S. SALARIED EMPLOYEE HANDBOOK

performance starts to decline. However, no special privileges or exemptions apply. If you do not cooperate in obtaining help and in improving job performance, then a decision will be made as to your suitability for continued employment.

Workplace Violence

Delphi is committed to protecting the health and safety of each employee by providing a work environment that is free of harassment, threats and acts of violence.

In support of this policy and consistent with health and safety priorities, Delphi will not tolerate any threat, direct or implied, or physical conduct by any person which results in harm to people or property, or which harasses, disrupts or interferes with another's work performances, or which creates an intimidating, offensive or hostile environment.

Management recognizes that preventing workplace violence is a fundamental responsibility. In the event individuals or situations at risk for violence are identified, management will respond promptly to ensure a thorough and timely evaluation. Key resources to assist in this process include senior management, security, human resources, medical and EAP personnel, legal and communications organizations and law enforcement officials.

Employees share in the responsibility for maintaining a safe work environment. Your responsibilities include communicating safety concerns and cooperating in efforts to resolve concerns. Making threatening statements or gestures, possessing weapons or dangerous devices or possessing or selling drugs or alcohol while on company property are prohibited.

Violation of this policy will not be tolerated and will result in disciplinary action up to and including discharge.

Safety Belt Usage

As part of the Corporation's commitment to the health and safety of employees and their families, Delphi urges all employees and their families always to use safety belts and child restraints. Further, employees who operate Corporate-owned or leased vehicles, and all occupants of those vehicles, are required to use safety belts and, when appropriate, child restraints. This also applies to instances when a personal vehicle is used for Corporate business. The objective is to reduce injuries and deaths due to vehicle crashes and to attain 100% restraint usage. The key message is safety belt use is the most effective way to reduce the risk of injuries and fatalities in vehicle crashes.

RELATIONSHIPS AND RESPONSIBILITIES REGARDING DIVERSITY, EQUAL OPPORTUNITY, AFFIRMATIVE ACTION AND NON-DISCRIMINATION

Diversity is a source of the innovation and creativity which are essential to our success. We support and must integrate the many voices of diversity and increase our understanding of differences in life experiences, cultures and beliefs. Consistent with our values of teamwork and integrity, the Corporation has a long-standing commitment to diversity, equal opportunity, affirmative action and non-discrimination. The Corporation extends opportunities to qualified applicants and employees on a non-discriminatory basis. Reasonable accommodation is made to the limitations of qualified individuals with disabilities, qualified disabled veterans and veterans of the Vietnam Era, taking into account the needs of the business and financial costs.

We have an ongoing commitment to cultivate our diversity by creating and maintaining a workplace environment that naturally enables everyone to make the greatest contribution. This requires a workplace environment which is free of discrimination, hostility and physical or verbal harassment with respect to

race, gender, color, national origin, religion, age, disability, sexual orientation, being a special disabled veteran or a veteran of the Vietnam Era or any other protected status.

Harassment based on sex, age, race, national origin, religion, disability or any other protected status is prohibited and is a violation of Corporate policy. Harassment may encompass a wide variety of behaviors including without limitation unwelcome conduct, whether verbal, physical or visual, that is based upon or relates to a person's protected status and has the purpose or effect of creating a hostile, offensive or intimidating workplace environment.

Sexual harassment, in particular, should be understood to mean unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when: 1) submission to such conduct by an individual is made explicitly or implicitly a term or condition of employment, 2) submission to or rejection of such conduct by an individual is used as the basis for an employment decision or 3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance, or of creating a hostile, intimidating or offensive working environment. Examples of sexual harassment may include but are not limit

ed to unwelcome sexual propositions, unwelcome jokes or comments of a sexual nature, sexually oriented cartoons, pictures or photographs, or any other potentially offensive materials of a sexual nature in the workplace, including distribution or posting of such materials through the use of company computer networks.

It is important for you to promptly report any incident in which you feel you have experienced or witnessed harassment or discrimination in, or connected to, the workplace and to promptly report any complaints or concerns you may have about equal opportunity, affirmative action or discrimination. Complaints and concerns can be brought to the attention of your supervisor, manager or your local Human Resources representative. If you feel uncomfortable bringing the matter to your supervisor or manager or if your supervisor or manager is thought to be involved in the harassment, it is important that you bring the matter to the attention of your Human Resource representative. In addition, other existing complaint procedures, such as the Open Door policy, may be used to raise concerns about harassment, discrimination, equal employment opportunity or affirmative action.

It is every employee's responsibility to act in a manner that will create

and maintain a workplace environment that supports diversity and is free from all discrimination and harassment. Supervisors, in particular, are expected to support the Corporation's policy of diversity and equal opportunity. Supervisors are expected to take reasonable and appropriate action to prevent discrimination and harassment and, in conjunction with Human Resource representatives, to investigate and respond to complaints of discrimination or harassment. The Corporation will not tolerate behavior which is inconsistent with this policy and will take action to prevent and respond to any such behavior up to and including discharge.

It is not the intent of the Corporation to interfere unnecessarily in the lives of employees; nevertheless, it is important to advise employees of the potential problems inherent in consensual relationships between supervisors and subordinates. Supervisors and subordinates involved in a consensual relationship must advise senior management or your local Human Resources representative of your relationship. Upon review of the circumstances, steps may be taken to see that the reporting relationship is changed, if necessary, or to take similar steps to protect both parties and the workplace environment.

DELPHI AUTOMOTIVE SYSTEMS POLICY AGAINST SEXUAL HARASSMENT

Delphi has a written and widely distributed policy on equal opportunity employment. Sexual harassment, as in the case of harassment based on age, race, color, sex, religion, national origin, sexual orientation or other protected status, is a violation of this policy.

All employees are expected to deal fairly and honestly with one another to ensure a work environment free of intimidation and harassment. Abuse of the dignity of anyone, through ethnic, racist or sexist slurs or through other derogatory or objectionable conduct, is offensive employee behavior. Sexual harassment also includes unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature.

All Delphi employees are entitled to a work environment in which words and actions do not have even the appearance of disrespect. Sexually oriented jokes, cartoons, pictures, language, certain gestures and touching may be offensive to people and, therefore, may result in a hostile work environment. This type

of conduct will not be tolerated in the workplace. Delphi facilities must be free of hostility resulting from sexually oriented behavior. It is the responsibility of management and each employee to maintain an environment free of hostility. As in the case of other unfair employment practices, if you believe you have been subjected to sexual harassment, you should promptly bring your concerns to the attention of either your immediate supervisor, manager, local Human Resources representative, or you may utilize appropriate and existing internal complaint procedures.

DELPHI AUTOMOTIVE SYSTEMS POLICY COVERING WORKPLACE RELATIONSHIPS

Decisions related to all matters of employment are to be made on the basis of Company policy/practices and sound management principles. Although it is not the intent of Delphi to interfere unnecessarily with the private lives of employees, private lives and personal relationships can impact upon the work environment and employee morale.

The Corporation neither prohibits nor encourages the employment of relatives; the decision to hire or promote an individual should not be

influenced by the candidate's relationship to an employee. When relatives are hired, there must not be a reporting relationship, either direct or indirect, to the related employee. Other than these limitations, there is no prohibition against other Corporate employing units hiring such relatives who are otherwise fully qualified. The term "relative" generally describes close family members such as spouse, father, mother, brother, sister, son or daughter and such relatives who are related by marriage. Situations where other significant personal relationships (including romantic or sexual relationships) exist between non-relatives must be treated the same as for relatives. All decisions on matters related to employment must be clearly defensible and, as in any potential conflict of interest situation, must stand the test of the perception of a third party.

Supervisors and subordinates involved in a consensual relationship must advise senior management or your local Human Resources representative of your relationship. Upon review of the circumstances, steps may be taken to see that the reporting relationship is changed, if necessary, or to take similar steps to protect both parties and the workplace environment.

